

**The Ojibway Nation of Saugeen  
Consolidated Financial Statements**

*March 31, 2020*

# The Ojibway Nation of Saugeen

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For the year ended March 31, 2020

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## **Management's Responsibility**

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To the Members and Chief and Council of The Ojibway Nation Of Saugeen:

The accompanying consolidated financial statements of The Ojibway Nation Of Saugeen are the responsibility of management and have been approved by the Chief and Council.

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Ojibway Nation Of Saugeen Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Council is also responsible for recommending the appointment of the Nation's external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by the Chief and Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

March 12, 2021



Band Manager

To the Members and the Chief and Council of The Ojibway Nation Of Saugeen:

## Opinion

We have audited the consolidated financial statements of The Ojibway Nation Of Saugeen and its subsidiaries (the "Nation"), which comprise the consolidated statement of financial position as at March 31, 2020, and the consolidated statements of operations, accumulated surplus, change in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Nation as at March 31, 2020, and the results of its consolidated operations, change in its net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

## Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Nation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Nation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Nation's financial reporting process.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Nation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Kenora, Ontario

March 12, 2021

*MNP LLP*

Chartered Professional Accountants

Licensed Public Accountants

**MNP**  
LLP

**The Ojibway Nation of Saugeen**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2020*

	2020	2019
<b>Financial assets</b>		
<b>Current</b>		
Cash <i>(Note 3)</i>	4,372,373	1,613,366
Due from government and other government organizations <i>(Note 4)</i>	688,686	317,762
Trade and other receivables <i>(Note 5)</i>	239,236	1,123,349
	<b>5,300,295</b>	3,054,477
<b>Funds held in Ottawa Trust Fund <i>(Note 6)</i></b>	<b>50,494</b>	49,522
	<b>5,350,789</b>	3,103,999
<b>Liabilities</b>		
Accounts payable and accruals <i>(Note 7)</i>	338,449	439,697
Funding repayable <i>(Note 8)</i>	290,453	159,199
Deferred revenue <i>(Note 9), (Note 19)</i>	2,429,958	391,444
	<b>3,058,860</b>	990,340
<b>Long-term debt</b>	<b>-</b>	1,809,865
<b>Net financial assets</b>	<b>2,291,929</b>	303,794
<b>Contingent liabilities <i>(Note 17)</i></b>		
<b>Commitments <i>(Note 18)</i></b>		
<b>Significant event <i>(Note 19)</i></b>		
<b>Non-financial assets</b>		
Tangible capital assets <i>(Schedule 1)</i>	6,318,632	5,380,219
Prepaid expenses	-	205,354
<b>Total non-financial assets</b>	<b>6,318,632</b>	5,585,573
<b>Accumulated surplus</b>	<b>8,610,561</b>	5,889,367

Approved on behalf of the Chief and Council

*E. Wachut* <sup>c</sup> Chief

John Sopay Jr.

### Councillor

### **Councillor**

### Councillor

**The Ojibway Nation of Saugeen**  
**Consolidated Statement of Operations and Accumulated Surplus**  
*For the year ended March 31, 2020*

	<i>Schedule</i>	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
<b>Revenue</b>				
Indigenous Services Canada (Note 11), (Note 16)	1,605,345	4,774,974	1,398,292	
FedNor (Note 11)	-	1,000,000	-	
First Nations and Inuit Health (Note 11)	437,733	486,677	507,273	
Natural Resources Canada (Note 11)	-	-	54,000	
Ministry of Health and Long-Term Care (Note 11)	56,000	86,307	141,607	
Solicitor General (Note 11)	16,068	16,068	16,068	
Ontario First Nations Limited Partnership	-	542,477	626,529	
Nuclear Waste Management Ontario	-	200,000	-	
Miscellaneous	56,400	67,942	72,959	
Sioux Lookout Area Aboriginal Management Board	-	34,831	69,793	
Indigenous Services Canada prior year adjustment	-	27,652	-	
First Nation Student Success Program	-	11,000	28,750	
Interest income	-	1,217	1,124	
Clean Water and Waste Fund	80,616	-	-	
Northern Nishnawbe Education Council	1,800	-	1,134	
Northern Ontario Heritage Fund Corporation	-	-	1,000,000	
Deferred revenue - prior year (Note 9), (Note 19)	7,425	391,444	322,419	
Deferred revenue - current year (Note 9), (Note 19)	-	(2,429,958)	(391,444)	
Repayment of funding	-	(138,699)	(87,361)	
	<b>2,261,387</b>	<b>5,071,932</b>	<b>3,761,143</b>	
<b>Expenses</b>				
Administration	4	377,441	558,639	299,361
Education	5	1,084,879	511,286	565,369
Health Services	6	474,269	501,573	602,227
Community and Economic Development	7	55,856	146,629	132,366
Capital Funds	8	98,392	288,729	378,732
Operations & Maintenance	9	363,819	304,115	209,632
Ontario First Nations Limited Partnership	10	-	39,767	237,937
<b>Total expenses (Schedule 2)</b>		<b>2,454,656</b>	<b>2,350,738</b>	<b>2,425,624</b>
<b>Surplus (deficit)</b>		<b>(193,269)</b>	<b>2,721,194</b>	<b>1,335,519</b>
<b>Accumulated surplus (deficit), beginning of year</b>		<b>5,889,367</b>	<b>5,889,367</b>	<b>4,553,848</b>
<b>Accumulated surplus (deficit), end of year</b>		<b>5,696,098</b>	<b>8,610,561</b>	<b>5,889,367</b>

**The Ojibway Nation of Saugeen**  
**Consolidated Statement of Change in Net Financial Assets**  
*For the year ended March 31, 2020*

	<b>2020 Budget</b>	<b>2020</b>	<b>2019</b>
<b>Surplus (deficit)</b>	<b>(193,269)</b>	<b>2,721,194</b>	<b>1,335,519</b>
Purchases of tangible capital assets	-	(1,201,240)	(2,032,302)
Amortization of tangible capital assets	-	262,827	354,480
Acquisition of prepaid expenses	-	(938,413)	(1,677,822)
Use of prepaid expenses	-	-	(193,669)
<b>Increase (decrease) in net financial assets</b>	<b>(193,269)</b>	<b>1,988,135</b>	<b>(535,972)</b>
<b>Net financial assets, beginning of year</b>	<b>303,794</b>	<b>303,794</b>	<b>839,766</b>
<b>Net financial assets, end of year</b>	<b>110,525</b>	<b>2,291,929</b>	<b>303,794</b>

**The Ojibway Nation of Saugeen**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2020*

	<b>2020</b>	<b>2019</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Surplus (deficit)	2,721,194	1,335,519
Non-cash items		
Amortization	262,827	354,480
	<b>2,984,021</b>	1,689,999
Changes in working capital accounts		
Due from government and other government organizations	(370,924)	(203,457)
Accounts receivable	884,113	(1,089,834)
Prepaid expenses	205,355	(193,661)
Accounts payable and accruals	(101,249)	(24,088)
Funding repayable	131,254	48,939
Deferred revenue	2,038,514	69,025
	<b>5,771,084</b>	296,923
<b>Financing activities</b>		
Advances of long-term debt	-	1,809,865
Increase in Funds Held in Ottawa Trust	(972)	(1,124)
Repayment of long-term debt	(1,809,865)	-
	<b>(1,810,837)</b>	1,808,741
<b>Investing activities</b>		
Purchases of tangible capital assets	(1,201,240)	(2,032,302)
<b>Increase in cash resources</b>	<b>2,759,007</b>	73,362
<b>Cash resources, beginning of year</b>	<b>1,613,366</b>	1,540,004
<b>Cash resources, end of year</b>	<b>4,372,373</b>	1,613,366
<b>Supplementary cash flow information</b>		
Interest received	1,217	1,124
Interest paid	-	35,887

**The Ojibway Nation of Saugeen**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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**1. Operations**

The Ojibway Nation of Saugeen (the "Nation") is located in the Province of Ontario, and provides various services to its members.

**2. Significant accounting policies**

These consolidated financial statements are the representations of management, prepared in accordance with Canadian Public Sector accounting standards and includes the following significant accounting policies:

***Reporting entity***

The Ojibway Nation of Saugeen reporting entity includes the Nation Government and all related enterprises that are accountable to the Nation and are either owned or controlled by the Nation.

The financial statements consolidate the financial activities of all entities and departments comprising the Nation reporting entity, except for Nation business entities.

All inter-entity balances have been eliminated on consolidation; however, transactions between departments have not been eliminated in order to present the results of operations for each specific department.

***Cash resources***

Cash resources includes balances with banks and short-term investments with maturities of less than one year.

***Funds held in Ottawa Trust Fund***

Funds held in trust on behalf of the Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the consolidated statement of financial position. Trust monies consist of:

- Capital trust monies derived from non-renewable resource transactions on the sale of land or other Nation capital assets; and
- Revenue trust monies generated primarily through land leasing transactions or interest earned on deposits held in trust.

**The Ojibway Nation of Saugeen**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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**2. Significant accounting policies** *(Continued from previous page)*

***Tangible capital assets***

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributed to construction and development, as well as interest costs that are directly attributable to the acquisition and construction of the asset.

Tangible capital assets are written down when the conditions indicate they no longer contribute to the Nation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital asset are less than their net book value. The net write-downs are accounted for as an expense in the consolidated statement of operations and accumulated surplus.

Contributed capital assets are recorded into revenue at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets.

Assets under construction are not amortized until the asset is available to be put into service.

**Amortization**

Amortization for tangible capital assets is provided using the following methods at rates intended to amortize the cost of assets over their estimated useful lives.

	<b>Method</b>	<b>Rate</b>
Housing	straight-line	25 years
Housing - Betterments	straight-line	10 years
Community buildings	straight-line	25 years
Community buildings - Betterments	straight-line	10 years
Infrastructure	straight-line	25 years
Automotive and trailer	straight-line	5 years
Heavy equipment	straight-line	5 years
Roads	straight-line	30 years
Mobile homes	straight-line	25 years

The Nation has incurred costs toward the construction of a community centre with a carrying value of \$5,209,567 (2019 - \$4,143,966). Amortization is not recorded until assets are in use and as a result, amortization of this asset under construction has not been recorded during the year.

***Long-lived assets***

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the assets' carrying amount. Impairment is measured as the amount by which the assets' carrying value exceeds its fair value. Any impairment is included in the consolidated statement of operation for the year in which the asset becomes impaired.

**The Ojibway Nation of Saugeen**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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**2. Significant accounting policies** *(Continued from previous page)*

***Non-financial assets***

The Nation's tangible capital assets and other non-financial assets are accounted for as assets because they can be used to provide Government services in future periods. These assets do not normally provide resources to discharge the liabilities of the Government unless they are sold.

***Net financial assets***

The Nation's consolidated financial statements are presented so as to highlight net financial assets as the measurement of financial position. The net financial assets of the Nation is determined by its financial assets less its liabilities. Net financial assets combined with non-financial assets comprises a second indicator of financial position, accumulated surplus.

***Revenue recognition***

***Government Transfers***

The Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

***Other revenue***

Other revenue such as user fees, rent, and administration fees are recognized when service is provided and collectability is reasonably assured. Investment income is recognized on the accrual basis.

***Measurement uncertainty***

The preparation of consolidated financial statements in conformity with Canadian Public Sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting year.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

Amortization is based on estimated useful lives of the tangible capital assets.

Accounts payable and accruals are based on historical charges for unbilled goods and services at year end.

Deferred revenue is estimated based on management's review of revenue received, but unspent as of year end.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the year in which they become known.

***Segments***

The Nation conducts its business through seven reportable segments: Administration, Health Services, Education, Community and Economic Development, Capital Funds, Operations and Maintenance and Ontario First Nations Limited Partnership. These operating segments are established by senior management to facilitate the achievement of the Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in the significant accounting policies.

**The Ojibway Nation of Saugeen**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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**2. Significant accounting policies** *(Continued from previous page)*

***Financial instruments***

All significant financial assets, financial liabilities and equity instruments of the Nation are either recognized or disclosed in the consolidated financial statements together with other information relevant for making a reasonable assessment of future cash flows and interest rate, currency or credit risk.

**3. Cash**

	<b>2020</b>	<b>2019</b>
Royal Bank - General	2,127,963	740,316
Royal Bank - Casino Rama	1,095,942	500,000
Royal Bank - Project Operational	940,419	272,844
Funds held in trust - Pitblado	185,329	-
Funds held in trust - Keshen	14,068	91,626
Royal Bank GIC	8,652	8,566
Scotiabank - Savings	-	14
	<b>4,372,373</b>	<b>1,613,366</b>

**4. Due from government and other government organizations**

	<b>2020</b>	<b>2019</b>
<b>Federal</b>		
First Nations and Inuit Health	322,748	83,474
Indigenous Services Canada	256,558	234,288
FedNor	64,544	-
<b>Province of Ontario</b>	<b>44,836</b>	<b>-</b>
	<b>688,686</b>	<b>317,762</b>

**5. Trade and other receivables**

	<b>2020</b>	<b>2019</b>
Other receivables	234,831	1,120,452
Members	4,405	2,897
	<b>239,236</b>	<b>1,123,349</b>

**The Ojibway Nation of Saugeen**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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**6. Funds Held in Ottawa Trust Fund**

Capital and revenue trust monies are transferred to the Nation on the authorization of the Minister of Indigenous Services Canada, with the consent of the Nation's Council.

	<b>2020</b>	2019
<b>Capital Trust</b>		
Balance, beginning and end of year	<b>7,167</b>	7,167
<b>Revenue Trust</b>		
Balance, beginning of year	42,355	41,231
Interest	972	1,124
Balance, end of year	<b>43,327</b>	42,355
	<b>50,494</b>	49,522

**7. Accounts payable and accruals**

	<b>2020</b>	2019
Trade payables	318,449	418,628
Accruals	20,000	20,000
Employee remittances payable	-	1,069
	<b>338,449</b>	439,697

*February 2013*

**8. Funding repayable**

	<b>2020</b>	2019
Ministry of Health	159,496	45,967
Indigenous Services Canada	85,473	67,748
First Nations and Inuit Health Branch	45,484	45,484
	<b>290,453</b>	159,199

**The Ojibway Nation of Saugeen**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

**9. Deferred revenue**

	<i>Balance March 31, 2019</i>	<i>Funding Received 2020</i>	<i>Revenue Recognized</i>	<i>Balance March 31, 2020</i>
<b>Federal</b>				
Administration - ISC	-	2,647,002	2,153,766	493,236
Education - ISC	139,984	1,455,640	457,182	1,138,442
Health Services - ISC	-	142,940	-	142,940
Health Services - FNIHB	-	486,677	378,822	107,855
Capital Funds - ISC	175,000	1,409,346	1,221,346	363,000
	<b>314,984</b>	<b>6,141,605</b>	<b>4,211,116</b>	<b>2,245,473</b>
<b>Provincial</b>				
Health Services	31,007	(27,222)	3,785	-
Community and Economic Development	39,703	42,000	81,703	-
	<b>70,710</b>	<b>14,778</b>	<b>85,488</b>	<b>-</b>
<b>Other</b>				
Education	5,750	11,000	16,750	-
Operations & Maintenance - Nuclear Waste	-	200,000	15,515	184,485
	<b>5,750</b>	<b>211,000</b>	<b>32,265</b>	<b>184,485</b>
	<b>391,444</b>	<b>6,367,383</b>	<b>4,328,869</b>	<b>2,429,958</b>

**10. Financial instruments**

The Nation's financial instruments consist of cash, temporary investments, accounts receivable, accounts payable and accruals. Unless otherwise noted, it is management's opinion that the Nation is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair market value of these financial instruments approximate their carrying values, unless otherwise noted.

**11. Government transfers**

	<i>Operating</i>	<i>Capital</i>	<i>2020</i>	<i>2019</i>
<b>Federal government transfers:</b>				
Indigenous Services Canada	4,586,974	188,000	4,774,974	1,398,292
Fednor	-	1,000,000	1,000,000	-
First Nations and Inuit Health	486,677	-	486,677	507,273
Natural Resources Canada	-	-	-	54,000
<b>Total Federal</b>	<b>5,073,651</b>	<b>1,188,000</b>	<b>6,261,651</b>	<b>1,959,565</b>
<b>Provincial government transfers:</b>				
Ministry of Health and Long-Term Care	86,307	-	86,307	141,607
Solicitor General	16,068	-	16,068	16,068
<b>Total Provincial</b>	<b>102,375</b>	<b>-</b>	<b>102,375</b>	<b>157,675</b>
<b>Total government transfers</b>	<b>5,176,026</b>	<b>1,188,000</b>	<b>6,364,026</b>	<b>2,117,240</b>

**The Ojibway Nation of Saugeen**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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**12. Ontario First Nations Limited Partnership**

Commencing with the 2012 fiscal year and in each fiscal year thereafter during the initial and renewal terms of the agreement between the Province of Ontario and Ontario First Nations Limited Partnership (OFNLP), the Province of Ontario shall pay to OFNLP 12 monthly payments equal to one-twelfth of 1.7% of the aggregate provincial gross gaming revenues. OFNLP then distributes to the Nation its share of these revenues according to a formula used for that purpose. The use of these funds, according to agreements, is restricted to community development, health, education, cultural development and economic development.

The Nation holds a unit in the Ontario First Nations Limited Partnership, and a share in a related Ontario First Nations General Partner Inc. - the carrying values of which are nominal and are therefore not recorded in these consolidated financial statements.

**13. Economic dependence**

The Ojibway Nation of Saugeen receives 83% (2019 - 37%) of its revenue from Indigenous Services Canada (ISC) as a result of treaties and agreements entered into with the Government of Canada. These treaties are administered by ISC under the terms and conditions of the Indian Act. The ability of the Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

**14. Budget information**

The disclosed budget information has been approved by the Chief and Council.

**15. Comparative figures**

Certain comparative figures have been reclassified to conform with current year's presentation.

**16. Indigenous Services Canada Funding Reconciliation**

	2020	2019
Indigenous Services Canada Revenue per Consolidated Financial Statements	<b>4,774,974</b>	1,398,292
Indigenous Services Canada Revenue per funding confirmation	<b>4,774,974</b>	1,398,292

**17. Contingent liabilities**

The Nation has signed funding agreements with Indigenous Services Canada and other governmental bodies for funding of programs which state that the funding party may require surpluses to be returned. The total of such surpluses were indeterminable and the amount could be material. Payment or recoveries of prior year surpluses will be recorded in the year recovered or paid.

**18. Commitments**

At March 31, 2020 the Nation had a community centre under construction and to March 31, 2020 there was \$5,209,567 (2019 - \$4,143,966) capitalized to construction in progress.

**The Ojibway Nation of Saugeen**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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**19. Significant event**

During the year there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses and organizations through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID19 outbreak may have on the Nation as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

**20. First Nations Financial Transparency Act**

The Nation is required by the First Nations Financial Transparency Act to post its consolidated financial statements on a website and submit the consolidated financial statements to Indigenous Services Canada by July 27, 2020. As the audit report is dated after this date, the Nation is not in compliance with this requirement. The possible effect of this non-compliance has not yet been determined.

**The Ojibway Nation of Saugeen**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**

For the year ended March 31, 2020

	Housing	Housing - Betterments	Community buildings	Community buildings - Betterments	Infrastructure	Automotive and Trailer	<i><b>Subtotal</b></i>
<b>Cost</b>							
Balance, beginning of year	3,279,782	604,697	1,567,213	243,300	866,636	385,143	6,946,771
Acquisition of tangible capital assets	-	-	-	-	-	135,636	135,636
Balance, end of year	3,279,782	604,697	1,567,213	243,300	866,636	520,779	7,082,407
<b>Accumulated amortization</b>							
Balance, beginning of year	2,573,466	598,431	1,360,464	229,000	866,636	315,716	5,943,713
Annual amortization	131,191	6,266	49,944	7,150	-	48,777	243,328
Balance, end of year	2,704,657	604,697	1,410,408	236,150	866,636	364,493	6,187,041
<b>Net book value of tangible capital assets</b>	<b>575,125</b>	<b>-</b>	<b>156,805</b>	<b>7,150</b>	<b>-</b>	<b>156,286</b>	<b>895,366</b>
2019 Net book value of tangible capital assets	706,316	6,266	206,749	14,300	-	69,427	1,005,077

**The Ojibway Nation of Saugeen**

**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**

*For the year ended March 31, 2020*

	<i>Subtotal</i>	<i>Heavy equipment</i>	<i>Roads</i>	<i>Assets under construction (building)</i>	<i>Mobile homes</i>	<i>2020</i>	<i>2019</i>
<b>Cost</b>							
Balance, beginning of year	6,946,771	678,587	464,509	4,143,963	100,433	12,334,263	10,301,961
Acquisition of tangible capital assets	135,636	-	-	1,065,604	-	1,201,240	2,032,302
Balance, end of year	7,082,407	678,587	464,509	5,209,567	100,433	13,535,503	12,334,263
<b>Accumulated amortization</b>							
Balance, beginning of year	5,943,713	678,587	327,727	-	4,017	6,954,044	6,599,564
Annual amortization	243,328	-	15,482	-	4,017	262,827	354,480
Balance, end of year	6,187,041	678,587	343,209	-	8,034	7,216,871	6,954,044
<b>Net book value of tangible capital assets</b>	<b>895,366</b>	<b>-</b>	<b>121,300</b>	<b>5,209,567</b>	<b>92,399</b>	<b>6,318,632</b>	<b>5,380,219</b>
2019 Net book value of tangible capital assets	1,005,077	-	136,782	4,143,963	96,416	5,380,219	

**The Ojibway Nation of Saugeen**  
**Schedule 2 - Consolidated Schedule of Expenses by Object**  
*For the year ended March 31, 2020*

	<b>2020 Budget</b>	<b>2020</b>	2019
<b>Consolidated expenses by object</b>			
Administrative expenses	(9,421)	-	-
Amortization of tangible capital assets	-	<b>262,827</b>	354,480
Bank charges and short-term interest	4,000	<b>2,766</b>	4,592
Bus reserve	15,000	-	-
Capital, operations and maintenance	269,405	<b>319,178</b>	267,067
Community events	63,628	<b>47,484</b>	57,523
Community, health and economic development	64,450	<b>71,500</b>	17,667
Education, training and travel	255,062	<b>202,943</b>	105,791
Honoraria, salaries, wages and benefits	860,320	<b>879,939</b>	886,217
Interest on long-term debt	-	-	35,887
Office, materials, supplies and utilities	654,258	<b>135,354</b>	236,895
Professional fees	277,954	<b>428,747</b>	459,505
	<b>2,454,656</b>	<b>2,350,738</b>	2,425,624

**The Ojibway Nation of Saugeen**  
**Schedule 3 - Summary of Consolidated Schedules of Revenue and Expenses by Segment**

For the year ended March 31, 2020

	Schedule #	ISC Revenue	Other Revenue	Deferred Revenue	Total Revenue	Total Expenses	Adjustments/Transfers From (To)	Current Surplus (Deficit)
Administration	4	2,647,002	56,703	(493,236)	2,210,469	558,639	6,573	1,658,403
Education	5	1,455,640	(11,518)	(992,708)	451,414	511,286	(79,350)	(139,222)
Health Services	6	142,940	459,455	(219,788)	382,607	501,573	(65,843)	(184,809)
Community and Economic Development	7	42,000	56,135	39,703	137,838	146,629	-	(8,791)
Capital Funds	8	409,346	1,016,600	(188,000)	1,237,946	288,729	472,225	1,421,442
Operations & Maintenance	9	78,046	215,375	(184,485)	108,936	304,115	169,350	(25,829)
Ontario First Nations Limited Partnership	10	-	542,722	-	542,722	39,767	(502,955)	-
		<b>4,774,974</b>	<b>2,335,472</b>	<b>(2,038,514)</b>	<b>5,071,932</b>	<b>2,350,738</b>	<b>-</b>	<b>2,721,194</b>

**The Ojibway Nation of Saugeen**  
**Administration**  
**Schedule 4 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2020*

	<b>2020 Budget</b>	<b>2020</b>	<b>2019</b>
<b>Revenue</b>			
Indigenous Services Canada	182,680	2,647,002	220,892
Miscellaneous	-	30,731	21,184
Indigenous Services Canada prior year adjustment	-	25,000	-
Interest income	-	972	1,124
Deferred revenue - current year <i>(Note 9), (Note 19)</i>	-	(493,236)	-
	<b>182,680</b>	<b>2,210,469</b>	<b>243,200</b>
<b>Expenses</b>			
Administration (recovery)	(44,376)	(29,590)	(60,854)
Amortization	-	8,666	9,831
Audit fees	-	41,475	20,000
Bank charges and interest	4,000	2,765	4,591
Food and beverage	-	6,114	-
Meeting	-	3,500	-
Miscellaneous	-	1,093	204
Office supplies	12,534	16,311	12,351
Professional fees	164,500	273,284	112,887
Repairs and maintenance	-	2,835	-
Salaries and benefits	224,675	193,958	181,824
Telephone	6,108	6,803	6,146
Travel	10,000	30,883	12,381
Utilities	-	542	-
	<b>377,441</b>	<b>558,639</b>	<b>299,361</b>
<b>Surplus (deficit) before transfers</b>	<b>(194,761)</b>	<b>1,651,830</b>	<b>(56,161)</b>
<b>Transfers between segments</b>	<b>-</b>	<b>6,573</b>	<b>-</b>
<b>Surplus (deficit)</b>	<b>(194,761)</b>	<b>1,658,403</b>	<b>(56,161)</b>

**The Ojibway Nation of Saugeen  
Education**  
**Schedule 5 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2020*

	<b>2020 Budget</b>	<b>2020</b>	<b>2019</b>
<b>Revenue</b>			
Indigenous Services Canada	1,155,778	1,455,640	700,883
First Nation Student Success Program	-	11,000	28,750
Indigenous Services Canada prior year adjustment	-	2,652	-
Northern Nishnawbe Education Council	1,800	-	1,134
Repayment of funding	-	(25,170)	(6,344)
Deferred revenue - prior year (Note 9), (Note 19)	77,700	145,734	114,619
Deferred revenue - current year (Note 9), (Note 19)	(77,700)	(1,138,442)	(145,734)
	<b>1,157,578</b>	<b>451,414</b>	<b>693,308</b>
<b>Expenses</b>			
Administration	-	12,603	-
Amortization	-	32,924	57,696
Awards	7,100	7,000	7,100
Bus reserve	15,000	-	-
Consulting	39,454	-	41,389
Fuel	2,000	-	-
Health Services	20,000	-	-
Insurance	1,944	1,944	1,944
Miscellaneous	2,000	-	-
Office supplies	3,028	5,339	8,728
Professional fees	40,000	40,000	21,801
Program workshops	56,927	45,234	45,016
Repairs and maintenance	10,953	1,550	17,237
Salaries and benefits	274,888	260,045	229,584
Special education materials	25,500	13,953	36,592
Student expenses	107,618	44,426	23,156
Supplies	397,068	10,555	32,085
Telephone	3,012	3,298	3,202
Training	36,187	1,723	3,033
Travel	42,200	30,692	36,806
	<b>1,084,879</b>	<b>511,286</b>	<b>565,369</b>
<b>Surplus (deficit) before transfers</b>	<b>72,699</b>	<b>(59,872)</b>	<b>127,939</b>
<b>Transfers between segments</b>	<b>(72,699)</b>	<b>(79,350)</b>	<b>-</b>
<b>Surplus (deficit)</b>	<b>-</b>	<b>(139,222)</b>	<b>127,939</b>

**The Ojibway Nation of Saugeen**  
**Health Services**  
**Schedule 6 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2020*

	<b>2020 Budget</b>	<b>2020</b>	<b>2019</b>
<b>Revenue</b>			
Indigenous Services Canada	-	142,940	169,870
First Nations and Inuit Health	437,733	486,677	507,273
Ministry of Health and Long-Term Care	56,000	86,307	141,607
Repayment of funding	-	(113,529)	(81,017)
Deferred revenue - prior year <i>(Note 9), (Note 19)</i>	7,425	31,007	32,800
Deferred revenue - current year <i>(Note 9), (Note 19)</i>	-	(250,795)	(31,007)
	<b>501,158</b>	<b>382,607</b>	<b>739,526</b>
<b>Expenses</b>			
Administration	34,955	16,987	60,854
Amortization	-	64,280	54,332
Food and beverage	36,992	62,348	13,666
Fuel	2,000	2,200	1,350
Health Services	6,850	3,038	4,000
Insurance	11,397	11,861	10,987
Medical supplies and prescriptions	608	-	-
Miscellaneous	7,917	-	-
Office supplies	4,610	2,282	1,201
Professional fees	34,000	-	52,793
Program supplies	15,000	1,842	14,315
Program workshops	6,701	2,250	12,507
Repairs and maintenance	18,200	25,410	42,152
Salaries and benefits	206,821	216,475	264,484
Social assistance	3,380	1,140	-
Student expenses	709	-	-
Supplies	10,336	9,896	36,749
Telephone	4,000	4,659	5,270
Training	44,368	31,428	12,099
Travel	6,000	33,517	6,199
Utilities	19,425	11,960	9,269
	<b>474,269</b>	<b>501,573</b>	<b>602,227</b>
<b>Surplus (deficit) before transfers</b>	<b>26,889</b>	<b>(118,966)</b>	<b>137,299</b>
<b>Transfers between segments</b>	<b>(26,872)</b>	<b>(65,843)</b>	<b>-</b>
<b>Surplus (deficit)</b>	<b>17</b>	<b>(184,809)</b>	<b>137,299</b>

**The Ojibway Nation of Saugeen**  
**Community and Economic Development**  
**Schedule 7 - Consolidated Schedule of Revenue and Expenses**

*For the year ended March 31, 2020*

	<b>2020 Budget</b>	<b>2020</b>	<b>2019</b>
<b>Revenue</b>			
Indigenous Services Canada	42,000	42,000	42,000
Natural Resources Canada	-	-	54,000
Sioux Lookout Area Aboriginal Management Board	-	34,831	69,793
Solicitor General	16,068	16,068	16,068
Miscellaneous	-	5,236	-
Deferred revenue - prior year (Note 9), (Note 19)	-	39,703	-
Deferred revenue - current year (Note 9), (Note 19)	-	-	(39,703)
	<b>58,068</b>	<b>137,838</b>	142,158
<b>Expenses</b>			
Insurance	2,642	2,920	2,642
Materials	3,000	2,500	-
Miscellaneous	-	-	553
Professional fees	-	34,221	13,334
Repairs and maintenance	6,200	4,256	200
Salaries and benefits	41,118	95,409	110,108
Travel	880	1,274	2,184
Utilities	2,016	6,049	3,345
	<b>55,856</b>	<b>146,629</b>	132,366
<b>Surplus (deficit)</b>	<b>2,212</b>	<b>(8,791)</b>	9,792

**The Ojibway Nation of Saugeen**  
**Capital Funds**  
**Schedule 8 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2020*

	<b>2020 Budget</b>	<b>2020</b>	<b>2019</b>
<b>Revenue</b>			
Indigenous Services Canada	146,841	409,346	148,054
FedNor	-	1,000,000	-
Rent	40,800	16,600	39,500
Northern Ontario Heritage Fund Corporation	-	-	1,000,000
Deferred revenue - prior year <i>(Note 9), (Note 19)</i>	-	175,000	-
Deferred revenue - current year <i>(Note 9), (Note 19)</i>	-	(363,000)	(175,000)
	<b>187,641</b>	<b>1,237,946</b>	<b>1,012,554</b>
<b>Expenses</b>			
Amortization	-	141,475	176,139
Insurance	39,220	41,302	39,220
Interest on long-term debt	-	-	35,887
Renovations	-	-	22,001
Repairs and maintenance	59,172	83,952	38,369
Salaries and benefits	-	-	67,116
Training	-	22,000	-
	<b>98,392</b>	<b>288,729</b>	<b>378,732</b>
<b>Surplus (deficit) before transfers</b>	<b>89,249</b>	<b>949,217</b>	<b>633,822</b>
<b>Transfers between segments</b>	<b>(90,000)</b>	<b>472,225</b>	<b>513,592</b>
<b>Surplus (deficit)</b>	<b>(751)</b>	<b>1,421,442</b>	<b>1,147,414</b>

**The Ojibway Nation of Saugeen**  
**Operations & Maintenance**  
**Schedule 9 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2020*

	<b>2020 Budget</b>	<b>2020</b>	<b>2019</b>
<b>Revenue</b>			
Indigenous Services Canada	<b>78,046</b>	<b>78,046</b>	116,593
Nuclear Waste Management Ontario	-	<b>200,000</b>	-
Teacherage rent	<b>15,600</b>	<b>15,375</b>	12,275
Clean Water and Waste Fund	<b>80,616</b>	-	-
Deferred revenue - prior year <i>(Note 9), (Note 19)</i>	-	-	175,000
Deferred revenue - current year <i>(Note 9), (Note 19)</i>	-	<b>(184,485)</b>	-
	<b>174,262</b>	<b>108,936</b>	303,868
<b>Expenses</b>			
Amortization	-	<b>15,482</b>	56,482
Fuel	<b>3,000</b>	<b>1,300</b>	-
Insurance	<b>24,919</b>	<b>34,393</b>	24,919
Meeting	-	<b>158</b>	-
Program supplies	<b>107,488</b>	-	-
Repairs and maintenance	<b>94,758</b>	<b>108,755</b>	67,399
Salaries and benefits	<b>109,438</b>	<b>112,914</b>	33,101
Telephone	<b>1,032</b>	<b>1,022</b>	1,029
Travel	-	-	2,834
Utilities	<b>23,184</b>	<b>30,091</b>	23,868
	<b>363,819</b>	<b>304,115</b>	209,632
<b>Surplus (deficit) before transfers</b>	<b>(189,557)</b>	<b>(195,179)</b>	94,236
<b>Transfers between segments</b>	<b>189,571</b>	<b>169,350</b>	(125,000)
<b>Surplus (deficit)</b>	<b>14</b>	<b>(25,829)</b>	(30,764)

**The Ojibway Nation of Saugeen**  
**Ontario First Nations Limited Partnership**  
**Schedule 10 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2020*

	<b>2020 Budget</b>	<b>2020</b>	<b>2019</b>
<b>Revenue</b>			
Ontario First Nations Limited Partnership	-	<b>542,477</b>	626,529
Interest income	-	<b>245</b>	-
	<b>-</b>	<b>542,722</b>	626,529
<b>Expenses</b>			
Miscellaneous	-	-	40,636
Professional fees	-	<b>39,767</b>	197,301
	<b>-</b>	<b>39,767</b>	237,937
<b>Surplus (deficit) before transfers</b>	<b>-</b>	<b>502,955</b>	388,592
<b>Transfers between segments</b>	<b>-</b>	<b>(502,955)</b>	(388,592)
<b>Surplus (deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>